

UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF NEW YORK

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**In re** : **Chapter 11**  
**SEARS HOLDINGS CORPORATION, et al.,** : **Case No. 18-23538 (RDD)**  
**Debtors.<sup>1</sup>** : **(Jointly Administered)**  
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**X**

**ORDER DENYING VENDORS' MOTIONS FOR  
ALLOWANCE AND PAYMENT OF ADMINISTRATIVE EXPENSE CLAIMS**

Upon consideration of the *Motion of Winners Industry Co., Ltd. for Allowance and Payment of Administrative Expense Claims* [ECF No. 1386], *Motion of Milton Manufacturing, LLC to Allow and Compel Payment of Administrative Expense Claim Under 11 U.S.C. § 503(b) for Craftsman Branded Goods Delivered to the Debtor Postpetition* [ECF No. 1477], *Motion of Mien Co. Ltd. to Allow and Compel Payment of Administrative Expense Claim Under 11 U.S.C. § 503(b) for Jaclyn Smith Branded and Private Label Goods Delivered to the Debtor Post-Petition*

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<sup>1</sup> The Debtors in these chapter 11 cases, along with the last four digits of each Debtor's federal tax identification number, are as follows: Sears Holdings Corporation (0798); Kmart Holding Corporation (3116); Kmart Operations LLC (6546); Sears Operations LLC (4331); Sears, Roebuck and Co. (0680); ServiceLive Inc. (6774); SHC Licensed Business LLC (3718); A&E Factory Service, LLC (6695); A&E Home Delivery, LLC (0205); A&E Lawn & Garden, LLC (5028); A&E Signature Service, LLC (0204); FBA Holdings Inc. (6537); Innovol Solutions, Inc. (7180); Kmart Corporation (9500); MaxServ, Inc. (7626); Private Brands, Ltd. (4022); Sears Development Co. (6028); Sears Holdings Management Corporation (2148); Sears Home & Business Franchises, Inc. (6742); Sears Home Improvement Products, Inc. (8591); Sears Insurance Services, L.L.C. (7182); Sears Procurement Services, Inc. (2859); Sears Protection Company (1250); Sears Protection Company (PR) Inc. (4861); Sears Roebuck Acceptance Corp. (0535); SR – Rover de Puerto Rico, LLC (f/k/a Sears, Roebuck de Puerto Rico, Inc.) (3626); SYW Relay LLC (1870); Wally Labs LLC (None); SHC Promotions LLC (9626); Big Beaver of Florida Development, LLC (None); California Builder Appliances, Inc. (6327); Florida Builder Appliances, Inc. (9133); KBL Holding Inc. (1295); KLC, Inc. (0839); Kmart of Michigan, Inc. (1696); Kmart of Washington LLC (8898); Kmart Stores of Illinois LLC (8897); Kmart Stores of Texas LLC (8915); MyGofer LLC (5531); Rover Brands Business Unit, LLC (f/k/a Sears Brands Business Unit Corporation) (4658); Sears Holdings Publishing Company, LLC. (5554); Sears Protection Company (Florida), L.L.C. (4239); SHC Desert Springs, LLC (None); SOE, Inc. (9616); StarWest, LLC (5379); STI Merchandising, Inc. (0188); Troy Coolidge No. 13, LLC (None); BlueLight.com, Inc. (7034); Sears Brands, L.L.C. (4664); Sears Buying Services, Inc. (6533); Kmart.com LLC (9022); Sears Brands Management Corporation (5365); and SRe Holding Corporation (4816). The location of the Debtors' corporate headquarters is 3333 Beverly Road, Hoffman Estates, Illinois 60179.

[ECF No. 3323], *Motion by Pearl Global Industries Ltd. to Allow and Compel Payment of Administrative Expense Claim Under 11 U.S.C. § 503(b)(1)* [ECF No. 3604], *Motion of Apex Tool Group, LLC to Allow and Compel Immediate Payment of Administrative Expense Claim Pursuant to 11 U.S.C. 503(b)(1)(A) and 11 U.S.C. § 503(b)(9)* [ECF No. 1491], *Supplement to Motion of Apex Tool Group, LLC to Allow and Compel Immediate Payment of Administrative Expense Claim Pursuant to 11 U.S.C. 503(b)(1)(A) and 11 U.S.C. § 503(b)(9)* [ECF No. 3667], and *Motion by Gokaldas Exports Ltd. to Allow and Compel Payment of Administrative Expense Claims under 11 U.S.C. § 503(b)* [ECF No. 3670] (collectively, the “**Motions**”), each for entry of an order pursuant to 11 U.S.C. §§ 503(b)(1) and/or 503(b)(9) for the purposes set forth in the Motions; and upon consideration of the *Debtors’ Omnibus Objection to Vendors’ Motions for Allowance and Payment of Administrative Expense Claims* [ECF No. 3883] (the “**Objection**”); and the Court having found that it has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157(a)-(b) and 1334(b); and the Court having found that this is a core proceeding pursuant to 28 U.S.C. § 157(b); and the Court having found that venue of the Motions in this district is proper pursuant to 28 U.S.C. §§ 1408 and 1409; and the Court having found that notice of, and the opportunity for a hearing on, the Motions and the Objection was due and sufficient under the circumstances; and the Court having held a hearing on May 21, 2019 to consider the relief requested in the Motions (the “**Hearing**”); and upon the record of, and representations made at, the Hearing; and, for the reasons stated by the court in its bench rulings at the Hearing, the Court having determined that the legal and factual bases set forth in the Motions, the Objection, and at the Hearing, warrant the denial of the relief sought in the Motions as set forth herein; and after due deliberation and sufficient cause appearing therefor,

**IT IS HEREBY ORDERED THAT:**

1. The Motions are denied to the extent and for the reasons set forth on the record at the Hearing, including that this Order does not address so-called “inducement claims” and claims under section 503(b)(9) of the Bankruptcy Code.

2. The Court shall retain jurisdiction to hear and determine all matters arising from or related to the implementation, interpretation, and/or enforcement of this Order.

Dated: October 15, 2019  
White Plains, New York

/s/Robert D. Drain  
THE HONORABLE ROBERT D. DRAIN  
UNITED STATES BANKRUPTCY JUDGE